

## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# **Revised Fiscal Note**

(replaces fiscal note dated February 17, 2021)

Sen. Woodward Fiscal Analyst: Christina Van Winkle | 303-866-6289

Christina.VanWinkle@state.co.us

| Bill Topic:               | DEFINE PUMPED HYDROELECTRICITY AS RENEWABLE ENERGY  |   |
|---------------------------|---|---|
| Summary of Fiscal Impact: | <ul><li>☐ State Revenue</li><li>☑ State Expenditure</li><li>☐ State Transfer</li></ul>  | ☐ TABOR Refund ☐ Local Government ☐ Statutory Public Entity |
|                           | This bill removes an existing restriction on pumped hydroelectricity generation as a source of recycled energy, which is included in the definition of an eligible energy resource under the renewable energy standard statute. It will minimally increase state workload in FY 2021-22 only. |   |
| Appropriation Summary:    | No appropriation is required.   |   |
| Fiscal Note<br>Status:    | This revised fiscal note reflects the reengrossed bill.   |   |

## **Summary of Legislation**

This bill removes an existing restriction on pumped hydroelectricity generation as a source of recycled energy, which is included in the definition of "eligible energy resource" under the renewable energy standard statute, so long as the pumped hydroelectricity generation:

- does not combust fossil fuel to pump water;
- is not located on a natural waterway;
- includes measures to prevent fish mortality in the facility;
- does not impact any decreed instream flow; and
- does not cause violations of state water quality standards.

### **Background**

Under the renewable energy standard, each electricity provider in the state of Colorado, other than municipally-owned utilities that serve 40,000 customers or fewer, is required to obtain a minimum percentage of their electricity from eligible energy resources. Eligible energy resources include recycled energy and renewable energy resources. Under current law, pumped hydroelectricity generation is excluded from the definition of recycled energy and therefore does not contribute to an

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electricity provider's minimum percentage requirements under the renewable energy standard. This bill removes that exclusion.

#### **State Expenditures**

This bill will minimally increase workload for the Department of Regulatory Affairs. The bill will require a minor change to the Public Utility Commission's rules regarding the renewable energy standard, but the change can be made in the ordinary course of business.

#### **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

#### **State and Local Government Contacts**

Colorado Energy Office Information Technology Law Regulatory Agencies